

**BNA, Inc.**

# Daily Report for Executive

No. 147

Wednesday August 1, 2001

ISSN 1523-567X

Page A-25

## Regulation, Law & Economics

### Aviation

#### Congress Hears Testimony on Problems Facing the Air Transportation System

Amid a flurry of activity as members of Congress ready to start the August recess this weekend--mostly by commercial and private flights-- away from Washington, government and industry executives testified July 31 before a House panel about a troubled air transportation system. Subcommittee Chairman Doug Ose (R-Calif.) agreed with an industry representative that the review and approval process for new runways is "complicated, conflicting, duplicative and ill-defined."

Air delays undermine faith in the air transportation system, inconvenience passengers and shippers, and cause untold discomfort to customers, employees, and the economy, according to Edward Merlis, the senior vice president of the Air Transport Association of America.

Merlis, whose group is the only trade organization for the principal U.S. airlines, told the House Government Reform Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs, that the "aviation system's three components of capacity, airlines, air traffic control, and airports, are out of synch."

According to Merlis, airlines contribute to the delay problem by providing "more frequent service to communities large and small" in addition to the acquisition of regional jets which add to congestion by flying in the airspace used by larger planes.

He also said that an air traffic control system that is unable to meet the public's demand for air service plus the "logjam that is holding back new airport facilities," also contributes to the capacity problem.

Ose, who noted that the Federal Aviation Administration's computer software dates to the 1960s, said airplanes fly in the "functional equivalent of single lane highways in the sky."

Ose repeated what many government and industry people have said in the past: satellite-based technology or global positioning technology would reduce spacing and allow planes to fly closer together, which would accommodate more planes.

Merlis called on Congress to address local airport capacity as a way to mitigate congestion. "If the railroads and highway system had been limited in their development to a patchwork of local decisions, we still would be using conestoga wagons," Merlis said.

### Consolidation of Environmental Reviews

Merlis added that consolidating federal and state environmental reviews would make the process more functional and perhaps lessen the amount of time it takes to develop new airport facilities, such as runways, which can take up to 15 years to build.

Ose said that the process takes so long because there are approximately 40 federal laws, executive orders, and regulations governing runway and airport construction.

"The process for approving runway construction projects routinely gets bogged down in a seemingly endless maze of overlapping and duplicative reviews," said Todd Hauptli, the senior vice president for legislative affairs for the American Association of Airport Executives.

"It took the United States eight years to put a man on the moon, yet it takes 10-15 years or more to build a new runway," Hauptli added.

FAA Administrator Jane Garvey testified that better inter-agency coordination would lead to a more efficient environmental review, however, "the environmental process cannot be cleanly segregated from the overall planning process, and it should not be assumed that new runway time lines would be one-third shorter absent environmental review."

### **Government Witnesses Offer Statistics**

According to the Transportation Department, in 2000, more than 700 million passengers flew on U.S. airlines, representing a 50 percent increase in nine years. The FAA expects that number to hit one billion by the year 2010.

Donna R. McLean, the assistant secretary of Transportation for budget and programs, testified that while the department received 23,382 complaints in 2000, complaints for the first half of 2001 were fewer than 10,000.

More than 70 percent of the 2001 complaints were related to flight problems, customer service and baggage problems, in that order.

"Although the numbers of complaints have changed over the past several years, the rankings of the top three complaint categories have remained the same," McLean said.

### **Garvey Outlines FAA Initiatives**

While the FAA is not directly involved in improving airline service, Garvey said the agency has worked to improve the efficiency of the air traffic system and maintain high safety standards.

The FAA has developed a number of initiatives aimed at mitigating delays, which can be caused by bad weather, inoperable runways, airport capacity limitation, aircraft equipment issues, airline maintenance problems and air traffic equipment problems.

Garvey outlined the "Spring/Summer Plan," developed by industry, labor and government interests. It seeks to "maximize the use of available airspace, improves communications between the FAA and aviation system users, and expand the use of new technology." The FAA has trained more than 3,000 controllers, supervisors and airline dispatchers as part of the plan.

The FAA, according to Garvey has also worked on lessening the congested airspace in the "'triangle' of Boston, Chicago and Washington, D.C." She said that 14 initiatives have been put into place, such as limiting the number of "unplanned departure stops" going west out of New York airports and the development of new routes throughout the "triangle" to improve the traffic flow.

### **Lobbyist Wants Air Czar**

Hauptli, of the American Association of Airport Executives, told the panel that his organization would like to see the creation of an Airspace System Capacity Enhancement Council or Czar "that would report directly to the president and coordinate federal agencies as they review airport capacity enhancement projects."

The council also would be charged to ensure that federal agencies conduct environmental reviews of Critical National Airport Capacity Projects on a "highest priority" basis. ❖

*By Heather M. Rothman*